

Lyndel Anne Vargas
State Bar No. 24058913
CAVAZOS HENDRICKS POIROT, P.C.
Suite 570, Founders Square
900 Jackson Street
Dallas, TX 75202
Phone: (214) 573-7344
Fax: (214) 573-7399
Email: LVargas@chfirm.com

Attorneys for The Jumba, LLC

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In Re:

THE JUMBA, LLC

Debtor.

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Case No. 22-31740-sgj11

**DEBTOR'S MOTION TO ENTER INTO OPTION CONTRACT TO
SELL 10.75 ACRES OF RAW LAND IN PARKER COUNTY
TO SATISFY SECURED DEBTS**

A HEARING ON THE ABOVE REFERENCED APPLICATION IS SCHEDULED TO BE HELD BEFORE THE HONORABLE BANKRUPTCY JUDGE, STACEY G. C. JERNIGAN, ON THE FOURTEENTH FLOOR OF THE EARLE CABELL FEDERAL BUILDING, 1100 COMMERCE STREET, DALLAS, TEXAS 75242 ON FEBRUARY 2, 2023, AT 9:30 O'CLOCK A.M. WHICH IS AT LEAST TWENTY-ONE (21) DAYS OR MORE FROM THE DATE OF SERVICE HEREOF.

ANY RESPONSE OR OBJECTION TO THE APPLICATION MUST BE IN WRITING AND FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT 1100 COMMERCE STREET, ROOM 1254, DALLAS, TX 75242-1496 AND A COPY MUST BE SERVED UPON APPLICANT ON OR BEFORE JANUARY 16, 2023 WHICH DATE IS AFTER THE EXPIRATION OF 24 DAYS FROM THE DATE OF SERVICE HEREOF.

IF NO OBJECTION OR RESPONSE IS TIMELY FILED, THE APPLICATION MAY BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE APPLICATION WITHOUT A HEARING. IF AN OBJECTION OR RESPONSE IS TIMELY FILED AND THE HEARING DATE RESCHEDULED, NOTICE OF THE RESCHEDULED HEARING DATE AND TIME MAY ONLY BE GIVEN TO

THOSE PARTIES FILING A WRITTEN OBJECTION OR RESPONSE TO THE APPLICATION.

COMES NOW The Jumba, LLC, Debtor-In-Possession (“Debtor”) and seeks to enter into an Option Contract sell 10.75 acres of Debtor’s 73 acres in Parker County to resolve the disputed ad valorem tax obligations and to pay off the balance of the present mortgage hereon. In support of this Motion, Debtor presents the following facts:

1. Debtor’s business is acquiring, holding, and selling land. As has been the Debtor’s past practice, land is either sold as raw land or sold after development of some acreage, in connection with a builder, and then selling the new home(s) to generate income.

2. The Debtor presently holds approximately 73 acres in Parker County valued at approximately \$1.5 million in total. This land was originally purchased by the Debtor in April of 2019 as part of an 85- acre tract. Prepetition the Debtor, in connection with a builder, developed and sold its portion of that land to pay down on the Debtor’s obligations and for new land acquisitions.

3. Vista Homes, LLC has approached the Debtor with an offer to assist the Debtor in getting past due real estate taxes paid immediately in connection with Vista paying the sum of \$55,000 to obtain an Option to Purchase 10 adjoining acres within the 73 acres, with a sales price of \$30,000 per acre. The description of said 10 acres is set forth in Exhibit A hereto.

4. The circumstance that brings the Debtor before this Court for approval of *Debtor’s Motion to Sell Option to Purchase 10 Acres of Raw Land in Parker* is due to two factors: (1) The Debtor has been in an on-going dispute over the failure of Parker County to honor its ag exemption filed for 2020. A pending tax foreclosure for this assessment was stayed when the bankruptcy was filed; however, tax assessments on this land (still being assessed without any agricultural exemption being applied) are outstanding for tax years 2020, 2021 and 2022 and Parker County

has filed seeking a secured claim for ad valorem taxes in the sum of \$68,305.20, accruing interest at 12 percent per annum. Debtor has provided information as to why some of the tax assessment is inapplicable to land owned by the Debtor; however, the tax debt will still exceed \$50,000.00 due to the lack of the ag exemption; and (2) the sale of 10.75 acres will put the Debtor in a position complete payment of private mortgage of Leland Little.

5. As the private lender, creditor Leland B. Little is earning 6 percent on his Note and Mortgage until paid in full, and the Debtor does not have the consistent income to service this obligation on a monthly basis.

6. Mr. Little has been very patient with the Debtor with cash flow being constrained at times; however, his mortgage continues to grow. The sale of this 10.75 acres will enable the Debtor to pay the entire mortgage obligation within 30 days of Court approval and free up the rest of the land for agricultural uses in connection with its Plan of Reorganization, while, at the same time, eliminating the pending tax litigation and bringing all taxes current so that a new ag exemption may be sought.

7. Vista Homes, LLC is owned solely by Brian Frazier, the owner of the Debtor's joint venturer in Johnson County, Texas, and has extensive experience in the development, building and sale of single-family homes. Rather than joint venture with the Debtor, the parties have agreed to an option and sale. The Option Fee alone will bring the tax obligations, a priority debt, current. The sale price of \$300,000 for the acreage is market value and will permit prompt payment of the balance of the mortgage thereon, freeing the Debtor to use the other 60+ acres of land for other purposes.

WHEREFORE the Debtor seeks authority to accept Vista Homes, LLC's Offer to pay \$55,000.00 to Purchase an Option to Purchase 10.75 Adjoining Acres of Debtor's Alvarado

Property in Parker County for \$300,000.00 The Option proceeds can be used immediately to satisfy all priority tax obligations to Parker County for ad valorem taxes on this land and the subsequent lot purchase prices can be used to fully satisfy the mortgage obligation of the Debtor to Leland B Little.

Respectfully submitted,

/s/ Lyndel Anne Vargas
Lyndel Anne Vargas
State Bar No. 24058913
CAVAZOS HENDRICKS POIROT, P.C.
Suite 570, Founders Square
900 Jackson Street
Dallas, TX 75202
Direct Dial: (214) 573-7344
Fax: (214) 573-7399
Email: LVargas@chfirm.com

Attorneys for The Jumba, LLC, Debtor-In-Possession

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing document was served this 22nd day of December, 2022 by electronic transmission through the Court's automated Case Management and Electronic Docketing System for the U. S. Bankruptcy Court for the Northern District of Texas on all parties-in-interest submitting to service of papers in this case by said means and via first class mail, postage prepaid on the following:

United States Trustee
1100 Commerce Street, Room 976
Dallas, TX 75242-0996

C&G Realty E, LLC
P.O. Box 1408
Montgomery, TX 77356-1408

The Jumba, LLC
P.O. Box 7085
Fort Worth, TX 76111-0085

C&G Realty E, LLC
4413 Carey Street
Fort Worth, TX 76119-4219

Mark J. Petrocchi
Griffith, Jay & Michel, LLP
2200 Forest Park Boulevard
Fort Worth, TX 76110-1732

James Lanter, PC
James Lanter
560 N. Walnut Creek, Suite 120
Mansfield, TX 76063-3238

Alvarado ISD
Johnson County
c/o Eboney Cobb
Perdue Brandon Fielder, et al.
500 E. Border Street, Suite 640
Arlington, TX 76010-7457

Parker CAD
Perrin-Whitt CISD
Linebarger Goggan Blair & Sampson, LLP
c/o Sherrel K. Knighton
2777 N. Stemmons Freeway, Suite 1000
Dallas, TX 75207-2328

Jack County TAC
100 N. Main Street #209
Jacksboro, TX 76458-1797

Johnson County TAC
2 N. Mill Street
Cleburne, TX 76033

Leland B. Little
1213 Forest Park Drive
Weatherford, TX 76087-2805

Pamela Diane Cunningham
6924 Kingsley Drive
Fort Worth, TX 76134-3816

Parker County Tax Assessor
1112 Santa Fe Drive
Weatherford, TX 76086-5827

Tri County Utilities
1623 Weatherford Highway
Aledo, TX 76008

Parker CAD
c/o John Kendrick Turner
Linebarger Goggan Blair & Sampson, LLP
2777 N. Stemmons Freeway, Suite 1000
Dallas, TX 75207

H. Brandon Jones
Bryan C. Assink
Bonds Ellis Eppich Schafer Jones LLP
420 Throckmorton Street, Suite 1000
Fort Worth, TX 76102

Jack County Tax Office
c/o Mollie Lerew
Perdue, Brandon, Fielder,
Collins & Mott, L.L.P.
P.O. Box 8188
Wichita Falls, TX 76307

/s/ Lyndel Anne Vargas
Lyndel Anne Vargas

EXHIBIT "A"
LEGAL DESCRIPTION
10.75 ACRES
PARKER COUNTY, TX

All that certain 10.75 acres tract or parcel of land being situated in the D. V. Kirbie Survey, Abstract 775, in Parker County, Texas and being part of a called 83.564 acres tract described in a Warranty Deed With Vendor's Lien to The Jumba, LLC, as recorded in Doc. No. 201909818 of the Official Public Records of said county and said 10.75 acres tract being described by metes and bounds, as follows:

BEGINNING at a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set on the south line of Adell Road, for the northwest corner described herein, from which an iron rod, with a red plastic cap stamped "PRICE", found bears North 72°03'35" West, a distance of 82.01 feet (NOTE: BEARINGS AND DISTANCES ARE BASED ON U. S. STATE PLANE NAD 1983 COORDINATES, TEXAS NORTH CENTRAL ZONE - 4202);

THENCE South 72°03'35" East, along said south line, a distance of 89.39 feet to a 3 inch pipe fence corner found;

THENCE South 45°03'31" East, along the southwest line of Advance Road, at 148.62 feet passing a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set, at 296.21 feet passing a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set, continuing in all, a total distance of 445.14 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set;

THENCE Continuing along said south west line the following calls:

South 43°24'52" East, a distance of 241.21 feet to 3 inch pipe fence corner found;

South 45°16'48" East, a distance of 90.86 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set;

South 51°26'48" East, a distance of 116.97 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set;

South 57°53'30" East, a distance of 30.81 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set;

South 62°05'48" East, a distance of 60.96 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set;

South 66°06'28" East, a distance of 91.62 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set;

South 66°15'15" East, a distance of 152.43 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set for the northeast corner described herein;

THENCE South 23°53'33" West, leaving said southwest line, a distance of 629.32 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set for the southeast corner described herein;

THENCE North 64°30'19" West, a distance of 152.49 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set;

THENCE North 26°51'44" West, a distance of 240.02 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set for a west corner described herein;

THENCE North 27°54'12" East, a distance of 478.16 feet to an inner corner described herein;

THENCE North 57°53'30" West, a distance of 30.82 feet to a point;

THENCE North 51°26'48" West, a distance of 116.98 feet to a point;

THENCE North 45°16'48" West, a distance of 90.86 feet to a point;

THENCE North 43°24'52" West, a distance of 241.21 feet to an inner corner described herein;

THENCE South 44°55'57" West, a distance of 619.90 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set for a south corner described herein;

THENCE North 45°03'31" West, at 149.02 feet passing a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set, at 296.61 feet passing a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set, continuing in all, a total distance of 354.52 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set for the southwest corner described herein;

THENCE North 25°26'44" East, a distance of 230.79 feet to a 1/2 inch iron rebar, with an aluminum cap stamped "RPLS 5210", set;

THENCE North 30°28'36" East, a distance of 373.71 feet to the **POINT OF BEGINNING and containing 10.75 acres of land.**